

A C\$20-Billion Revenue-Neutral Tax and Market Reform for Ontario

Objective. Modernize Ontario's tax system without reducing provincial revenue or public services. Shift about C\$20B annually away from personal-income taxation and toward consumption and recurrent land/property taxation, protect lower-income households through the Ontario Trillium Benefit, expand municipal fiscal autonomy and establish a Transparent Markets Act.

Revenue raised	Annual	Revenue returned	Annual
HST 13% to 15%	+C\$10.0B	PIT surtax abolition/restructuring	-C\$11.5B
Land & Property Tax –C\$6B to ~C\$16B	+C\$10.0B	Abolish Health Premium	-C\$5.5B
Total	+~C\$20.0B	Expanded OTB sales + property support	-C\$2.9B
		Total	~C\$19.9B

Fiscal rule: zero net revenue loss at implementation; no assumed growth dividend. Final rates require tax-return and MPAC microsimulation.

Personal Income Tax

Abolish both Ontario surtaxes and the Ontario Health Premium. Use transparent statutory rates: **5.05%** to C\$53,891; **9.15%** to C\$107,785; **10%** to C\$154,259; **12%** to C\$185,111; **12.16%** to C\$220,000; **13.16%** to C\$246,813; **14%** to C\$370,220; **15%** thereafter. The 14% and 15% brackets broadly match Alberta; their revenue finances lower rates around C\$108k-C\$185k. Top combined federal-provincial ordinary-income rate: about **48%**.

HST and Trillium Benefit

Raise Ontario's HST component from 8% to 10%, producing a **15% combined HST**. Expand the existing Ontario Trillium Benefit by roughly **C\$1.8B** in sales-tax support and **C\$1.1B** in property-tax support to protect lower-income households.

Property and Housing

Replace the ~C\$6B Education Property Tax with an approximately **C\$16B Ontario Land and Property Tax**. Reform MPAC to show land value + improvement value = total value. Permit split-rate and land-value taxation. Provide deferrals for qualifying cash-poor homeowners. Use stronger recurring land revenue to reduce development charges not tied to genuine marginal infrastructure costs and, over time, the Land Transfer Tax.

Municipal Fiscal Reform

Create a **Major Municipality Fiscal Powers Act** for municipalities and upper-tier governments above 500,000 population. Authorize fuel levies up to 5 cents/L, parking-space levies, vehicle-registration and weight charges, congestion pricing and tolls, land-value taxation and capture, stormwater charges, and cost-based waste and water pricing. Transition over time from fuel taxes toward road-use and congestion pricing.

Transparent Markets Act

Establish the rule: **the advertised price is the all-in price**. Add grocery unit pricing, shrinkflation notices, truthful sale-price rules, loyalty-price disclosure, price-error compensation, right-to-repair protections, durability warranties, lemon-law remedies, easy subscription cancellation and inexpensive digital dispute resolution through **Resolve Ontario**.

Open Price Data

Fuel: current prices from every retailer. **Groceries:** staple-food prices and unit prices. **Rentals:** all-in asking rents, rent-control status and anonymized actual rents. **Housing sales:** sale prices and MPAC land/improvement values. Data architecture would include competition safeguards.

Growth Dividend

No growth dividend is booked. Illustratively, if the reforms leave potential GDP ~1% above baseline after ten years, a net fiscal dividend of roughly **C\$2-C\$3B annually** could emerge. Any realized dividend goes first to **Employer Health Tax**, then **Land Transfer Tax**, then taxes and charges on construction and productive investment.

CORE PROPOSITION

Tax work less. Protect lower-income households. Match Alberta on high-income tax competitiveness. Tax scarce land more efficiently. Tax building less. Give cities modern fiscal tools. Make the price consumers see the price they pay.

LOWER TAXES ON WORK. HONEST PRICES. BUILD MORE.